

**MINUTES OF THE ALGONQUIN POLICE PENSION BOARD
KANE & McHENRY COUNTIES
WILLIAM J. GANEK MUNICIPAL CENTER
2200 HARNISH DRIVE, ALGONQUIN, IL**

WEDNESDAY, FEBRUARY 13, 2019

CALL TO ORDER:

President Helgerson called the meeting to order at 5:01 p.m.

ROLL CALL:

Present: President Stan Helgerson, Vice President Brian Smith, Trustee Andrew Doles, and Trustee Andrew Dykstra. Assistant Village Manager Michael Kumbera and Recording Secretary Adam Carson were also present. Trustee Weber was absent.

ADOPT AGENDA:

A motion was made by Doles and seconded by Dykstra to adopt the agenda. Voice vote: unanimous ayes - motion carried.

PUBLIC COMMENTS:

None at this time.

APPROVAL OF MINUTES:

The meeting minutes of the meeting held October 24, 2018, were presented for approval. A motion was made by Smith and seconded by Doles to approve the minutes. Voice vote: unanimous ayes - motion carried.

APPOINTMENTS:

None at this time.

CONSULTANT REPORT:

Mary Tomanek then provided the 2018 fourth quarter summary, via telephone. She advised the market will continue to have more short-term volatility, and that there was a lot of political impact on the market, including the federal rate hikes. She continued and said to continue to expect the rolling bear market. Overall, the fund was down 1/4% at a return of 8.74%, and the funds that were lost in last quarter have already been made up in January and earned slightly more.

Discussion involved new money availability totaling \$50,000. A motion was made by Doles and seconded by Smith to invest \$50,000 from the dividend's money market to the RBC Global Small Cap fund. There was no further discussion. A roll call voice vote was taken with all ayes and no nays - motion carried.

A motion was made by Dykstra and seconded by Doles to approve the consultant's report as presented. There was no further discussion. A voice vote was taken with all ayes and no nays - motion carried.

VILLAGE TREASURER'S REPORT:

Kumbera advised the asset total ending December 31, 2018 was approximately \$28.7 million, adding this was down from October at the end of last quarter. He added most of the money lost has been regained in January. A motion was made by Doles and seconded by Dykstra to approve the financial report through December 31, 2018. There was no further discussion. A voice vote was taken with all ayes and no nays - motion carried.

APPROVAL OF BILLS:

The total pensions check register payments October 2018 through December 2018 is \$279,955.91. The total vendor check registers October 2018 through December 2018 is \$39,745.65, with the total amount being \$319,701.53. A motion was made by Smith and seconded by Doles to approve the payment of bills. A roll call vote was taken with all ayes and no nays - motion carried.

REQUEST FOR BENEFITS:

The annual annuitant increases were presented to the Board, effective January 1, 2019. President Helgerson advised this was a statutory increase, where any pensioner 55 years of age or older would receive their annual increase. A detailed list of eligible pensioners was provided by Lauterbach & Amen, with a formal approval being needed. A motion was made by Doles and seconded by Dykstra to approve the annual annuitant increases effective January 1, 2019. There was no further discussion. A roll call vote was taken with all ayes and no nays - motion carried.

CLOSED SESSION:

None at this time.

NEW BUSINESS:

The three applications of new officers were presented to the Board. Rodney A. Brown was hired January 21, 2019 as a Tier II employee. The next application was for Michael L. Randall. Michael was hired on January 7, 2019. The final application was for Trevor J. Wogsland, hired January 7, 2019, as a Tier II employee. A motion was made by Doles and seconded by Dykstra to accept all three applicants into the fund as Tier II employees. There was no further discussion. A voice vote was taken with all ayes and no nays - motion carried.

The Fiscal Year 2019/2020 Budget was next presented to the Board for approval. Treasurer Kumbera provided a brief summary of the budget to the Board. A motion was made by Doles and seconded by Dykstra to accept the Fiscal Year 2019/2020 Budget as presented. There was no further discussion. A voice vote was taken with all ayes and no nays - motion carried.

The Mesriow Financial Liability Insurance Policy Renewal was presented to the Board. President Helgerson advised of a very minor increase from the previous policy, with the policy being \$3,957.00. A motion was made by Doles and seconded by Smith to approve the renewal of the liability insurance policy in the amount of \$3,957.00. A roll call vote was taken with all ayes and no nays - motion carried.

The Lauterbach & Amen Actuarial Services Agreement was presented to the Board for approval. This is a new proposal for the next three years, 2019-2021. President Helgerson advised of a slight increase in fees, but noted that the pension fund covers 50% of the cost, with the village incurring the remaining 50%. The cost per year was provided as follows: \$4,350.00 (2019), \$4,450.00 (2020) and \$4,550.00 (2021). A motion was made by Doles and seconded by Dykstra to approve the Lauterbach & Amen Actuarial Services Agreement for the next three years at increases provided. There was no further discussion. A roll call vote was taken with all ayes and no nays - motion carried.

The members of the Board were reminded to complete their economic interest statements. President Helgerson advised this was information only for the meeting minutes.

Information was provided to the Board regarding a new service available to the Board. A retiree and beneficiary death auditing service is being offered to the fund to notify the Board and auditing services of the passing of a beneficiary. President Helgerson advised the fund attorney had some concerns regarding liability and was looking into those concerns but wanted to make the Board aware of the free services to IPPFA members. President Helgerson advised this was information only for the meeting minutes at this time.

The Investment Advisor Request for Proposal (RFP) was next presented to the Board. President Helgerson advised the Board that Mary Tomanek is a consultant, and that per state statute, a consultant needs to rebid every five years with an RFP being sent to at least three firms. President Helgerson advised the process has already been started with the RFP's being distributed to other firms. He continued and advised one had already declined, and they were waiting on responses from the other two. A recommendation should be available for the April meeting. A motion was made by Doles and seconded by Dykstra to approve the issuance of the RFP. There was no further discussion. A voice vote was taken with all ayes and no nays - motion carried.

The next item presented to the Board for consideration was a fee increase for the Recording Secretary. President Helgerson advised the last increase was in October 2016. President Helgerson suggested \$140.00 per meeting. A

motion was made by Doles and seconded by Dykstra to approve the increase the rate of pay from \$125.00 to \$140.00 per meeting. There was no further discussion. A roll call vote was taken with all ayes and no nays - motion carried.

The Board was presented with a confirmation of the Village's Tax Levy Request for the fund, in the amount of \$1.985 million dollars, that was approved at the Village Board meeting on December 18, 2018. President Helgerson advised this was formal information for the record for the meeting minutes.

The approval of the attorney engagement letter and retainer was next presented to the Board. President Helgerson advised this was to formally approve the engagement letter with the attorney. A motion was made by Doles and seconded by Smith to approve the attorney engagement letter and retainer. There was no further discussion. A roll call vote was taken with all ayes and no nays - motion carried.

The spring elections and appointments were next presented to the Board, offering a reminder that the elections will be held in April, with Doles and Weber's appointments ending. President Helgerson advised his position is due for re-appointment as well.

Finally, the Annual Servicer Certifications. President Helgerson advised that the consultant, by statute, is required to report on the type of searches being completed, including a search history. President Helgerson advised the Board the letter was received.

OLD BUSINESS:

None at this time.

TRAINING:

President Helgerson advised of upcoming training February 27 in Hoffman Estates, and another training in Naperville on April 11.

NEXT QUARTERLY MEETING:

The next Police Pension Board meeting is scheduled for April 24, 2019 at 5:00 p.m.

ADJOURNMENT:

There being no further business, it was moved by Dykstra and seconded by Doles to adjourn. Voice vote: unanimous ayes – motion carried.

The meeting adjourned at 5:51 p.m.

Respectfully submitted,

Andrew Doles, Secretary

Algonquin Police Pension Fund

Minutes prepared by Adam Carson, Recording Secretary.

Approved by the Board of Trustees at its meeting held on April 24, 2019.